DORAY MINERALS LIMITED
ASX: DRM

ASX Announcement
24 August 2017

DA VINCI DRILLING RETURNS 10.4m @ 45.2g/t Au AND 0.7% Cu

- **Hole DEDD052 intersection returns 10.4m @ 45.2g/t Au and 0.7% Cu including:**
  - **2.8m @ 76.7g/t Au and 2.4% Cu**
  - **1.6m @ 142.6g/t Au (No significant Cu)**
- **Hole DEDD051 intersection returns 1.4m @ 8.5g/t Au and 0.7% Cu**
- **Drilling continues, with one Diamond rig and one Reverse Circulation (RC) rig on site**

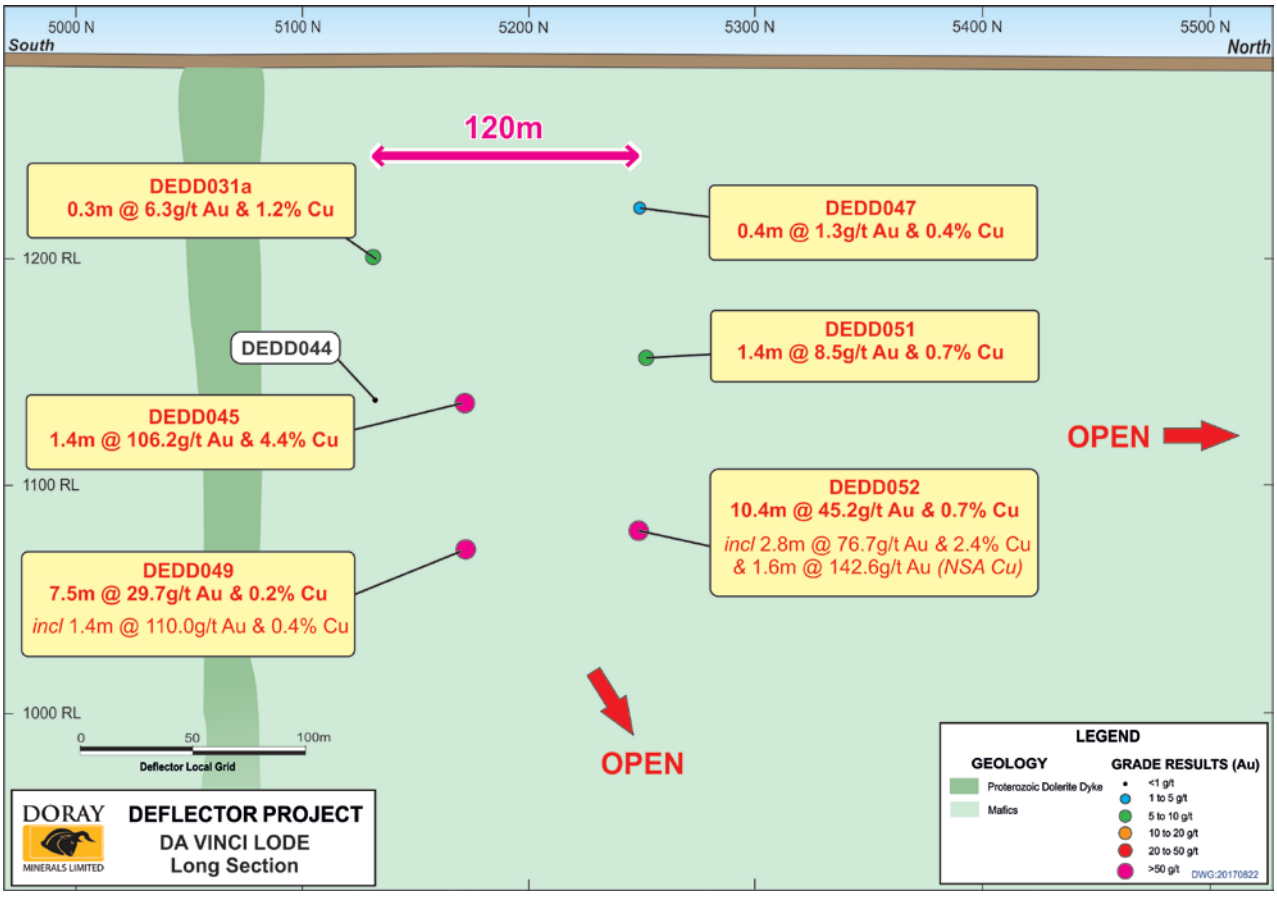

Figure 1. Da Vinci Lode long section

Doray Minerals Limited ("Doray" or "the Company") (ASX: DRM) is pleased to announce further exceptional assay results from drilling completed at the new Da Vinci discovery, located immediately north of the Deflector Gold Copper mine. Results relate to holes DEDD051 and DEDD052, which were drilled during July, with photographs contained in the ASX announcement dated 1 August 2017.

These holes have now returned outstanding gold and copper assays, confirming the high grade nature of this new discovery, with:

- DEDD052 returning **10.4m @ 45.2g/t Au and 0.7% Cu** from 226m, including **2.8m @ 76.7g/t Au and 2.4% Cu** and **1.6m @ 142.6g/t Au** (No significant Cu)
- DEDD051 returning **1.4m @ 8.5g/t Au and 0.7% Cu** from 143.5m

Managing Director, Mr Leigh Junk said "With these continuing spectacular grades and mineable widths so close to our underground development, Da Vinci is looking like being a serious game changer for Doray Minerals. Our ability to access this high grade material in the near term could significantly enhance the production profile at Deflector".

In addition to the above-mentioned intersection, DEDD052 also intersected significant high grade structures further into the footwall of the main zone of mineralisation (**0.6m @ 7.5g/t Au** from 296m and **0.7m @ 55.4g/t Au** from 299.2m). These intersections potentially represent mineralised splay structures off the main lode. Importantly, this pattern of mineralisation is commonly seen within the main Deflector ore system. Assay results from DEDD047 returned 0.4m @ 1.3g/t Au and 0.4% Cu from 82.9m indicating the persistence of mineralisation toward surface. Hole DEDD047 is located up-dip of hole DEDD051.

All holes were drilled along strike from the previously announced **7.5m @ 29.7g/t Au** from 235.5m in hole DEDD049, demonstrating at least 120m of continuity of these exceptional grades that are completely open along strike and at depth (see Figure 1). Drilling has commenced on a new deeper diamond drill hole, a further 80m north along strike. In addition, RC drilling has commenced on the prospect to rapidly test the strike extent of the system and the near surface potential.

Drill hole details and a full table of significant intersections are contained in the Appendix to this release, along with the relevant descriptions in the JORC (2012) Table 1. Note that Cu assays for hole DEDD049 (announced previously on 1 August 2017) have now been returned, and are detailed in the significant intersection table.

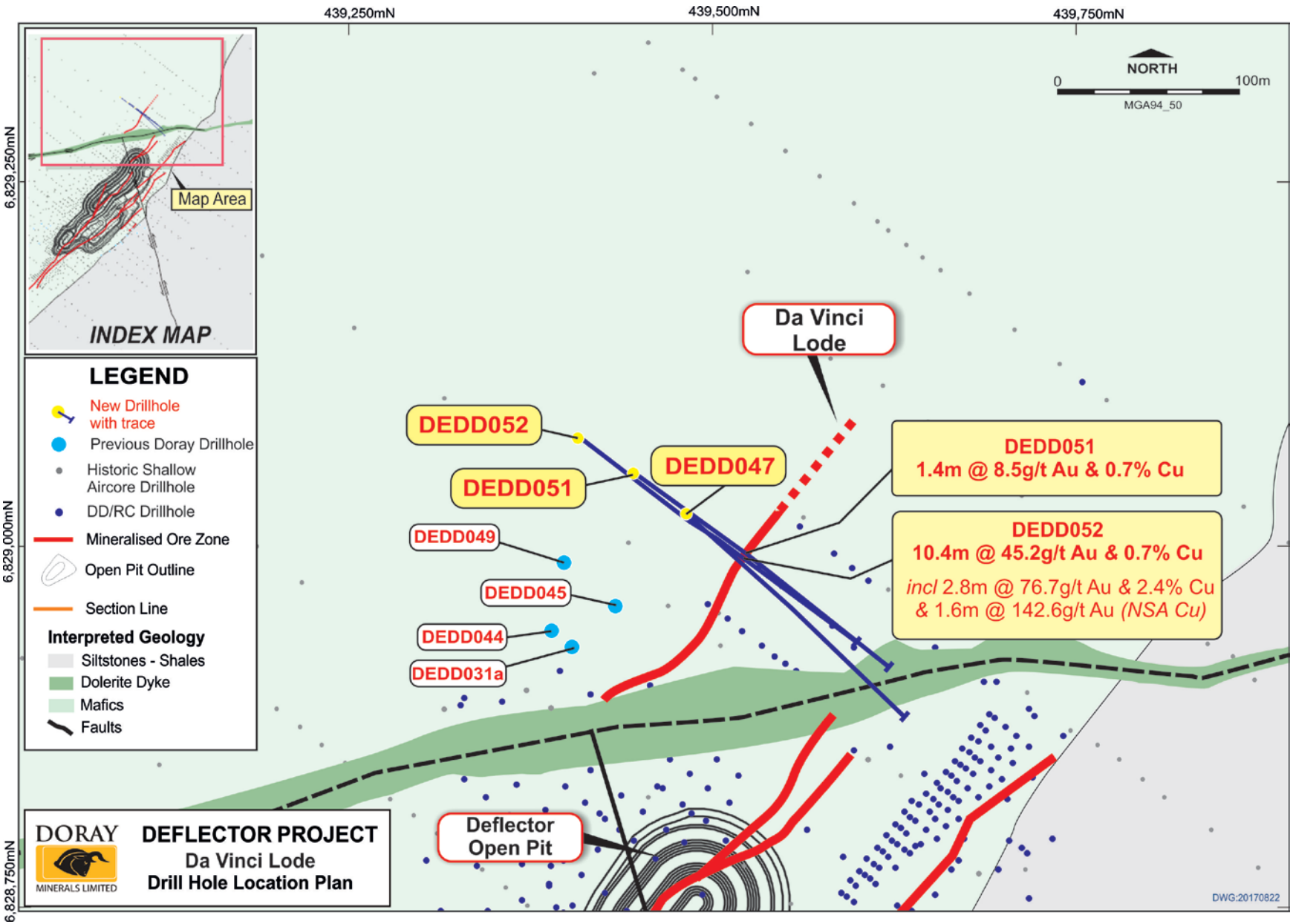

Figure 2. Da Vinci Lode drill hole location plan

-ENDS-

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Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mark Cossom. Mr Cossom is a full time employee of Doray Minerals Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Cossom has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activities, which he is undertaking. This qualifies Mr Cossom as a "Competent Person" as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cossom consents to the inclusion of information in this announcement in the form and context in which it appears. Mr Cossom holds shares and performance rights in Doray Minerals Ltd.

Appendices

Table 1. Drill hole Summary Table with Significant Intersections (intersections are geologically defined, based on logged geology. No grade thresholds have been applied to data)

Hole ID	Easting	Northing	RL	Dip /Azimuth	Total Depth	From (m)	To (m)	Interval (m)	Au Grade (g/t)	Cu Grade (%)	Comments
DEDD047	439483	6829022	279	-60/125	393.6	**82.9**	**83.3**	0.4	1.3	0.4	
						90.8	**91.1**	0.3	0.7	0.4	
DEDD049	439399	6828987	280	-60/125	279.2	**235.5**	**243.0**	**7.5**	**29.7**	**0.2**	Including **2.8m @ 24.2g/t Au and NSA Cu** from 235.5m and **1.4m @ 110.0g/t Au and 0.4% Cu** from 241.6m
DEDD051	439448	6829049	280	-60/124	357.6	**72.0**	**73.8**	1.8	1.6	NSA	
						143.5	**144.9**	**1.4**	**8.5**	**0.7**	
DEDD052	439409	6829074	280	-60/124	545.8	**226.0**	**236.4**	**10.4**	**45.2**	**0.7**	Including **2.8m @ 76.7g/t Au and 2.4% Cu** from 229.2m and **1.6m @ 142.6g/t Au and NSA Cu** from 234.8m
						296.0	**296.6**	**0.6**	**7.5**	NSA	
						299.2	**299.9**	**0.7**	**55.4**	0.1	

Note:

- All coordinates are MGA (GDA94 Zone 50). Azimuth is Magnetic Degrees.
- Intervals reported are based on geologically logged intervals. No grade thresholds have been applied
- All Au assays are 50g Fire Assay with AAS finish assayed at Minanalytical Laboratories, Perth
- All Cu assays are ICP-MS/OES
- NSA – No Significant Assay

JORC Code 2012 Edition Summary (Table 1) – Deflector Diamond Drilling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	• Diamond drilling (DD) HQ2 size core collected in sample trays, core is marked and cut in half. Diamond core samples are collected on a nominal 1m interval, but based on geology. Minimum sample width of 0.3m and a maximum of 1.3m.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• DD core is cut in half, with half submitted for assay.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Mineralisation determined qualitatively through: presence of sulfide in quartz; internal structure (massive, brecciated, laminated) of quartz. • Mineralisation determined quantitatively via fire assay with atomic absorption (AAS) and inductively coupled mass spectrometry and optical emission spectrometry (ICPMS/OES)
	• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• All samples pulverized to 75 µm and all samples analysed by 50g Fire Assay and AAS finish. • When visible gold is observed in RC chips or diamond drill core this sample is flagged by the supervising geologist for the benefit of the laboratory.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• DD drilling collected at HQ2 size.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• DD core recovery data is recorded on core block for each core run
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Appropriate drilling muds are used to maximise DD core recovery in broken ground.
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• There is no known relationship between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• Holes logged to a level of detail to support mineral resource estimation: lithology; alteration; mineralization. • DD drilling is also orientated and structurally and geotechnically logged.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*	• Qualitative: lithology, alteration, foliation • Quantitative: vein percentage; mineralization (sulphide) percentage; assayed for gold and copper, structures. • All DD core not assayed is retained in core trays and stored.
	• *The total length and percentage of the relevant intersections logged.*	• All holes logged and for entire length of hole; sampling over 75% of hole length based on observed and expected mineralisation.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether Quarter, half or all core taken.*	• DD core is sawn in half, with half submitted for analysis.
	• *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	• N/A
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• The entire ~3kg sample is pulverized to 75µm (85% passing) • Gold analysis is determined by a 50g charge fire assay with an AAS finish. Copper and silver analysis is determined by ICP-MS and ICP-OES techniques (dependent on grade)
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Pulp duplicates taken at the pulverising stage and selective repeats conducted at the laboratories discretion.
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• Samples are taken via ½ core sawn along the core axis, which is statistically representative of the drill core returned for each metre drilled.

Criteria	JORC Code explanation	Commentary
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample size appropriate for grain size of samples material.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• Fire assay (50g), total digest technique, appropriate for gold • AAS determination, appropriate for gold. • ICP-MS/OES technique, appropriate for copper and silver.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• KT10 handheld magnetic susceptibility meter used.
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Certified reference material standards, 1 in 20 samples • Blanks: unmineralised material is inserted following predicted high grade samples (ie. Visible gold). • A lab barren quartz flush is requested following a predicted high grade sample (i.e. visible gold). • Duplicates: o Field duplicates using quarter core across mineralised samples are taken on average 1 in every 5 drill holes. o Lab: Random pulp duplicates are taken on average 1 in every 10 samples
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• All sampling is routinely inspected by senior geological staff. Significant intersections are inspected by senior geological staff and DRM corporate staff. • 2% of samples returned > 0.1g/t Au are sent to an umpire laboratory on a quarterly basis for verification.
	• *The use of twinned holes.*	• No twinned holes utilised
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Data stored in Datashed database on internal company server, logging performed on LogChief and synchronised to Datashed database, data validated by database administrator, import validate protocols in place. Visual validation in Micromine by company geologists.

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	• No adjustments made to assay data. First gold assay is utilised for any resource estimation.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• Collars: surveyed with DGPS. • Downhole: surveyed with north-seeking Champ Axis Gyro tool.
	• *Specification of the grid system used.*	• MGA94 - Zone 50
	• *Quality and adequacy of topographic control.*	• Topographic control is based on survey pick-ups of drill sites, as well as historical surface surveys of the general area.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• Drilling planned on targeted features, with an average sectional spacing of 40-80m.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• Data spacing considered appropriate for the stage of exploration and geological conditions encountered
	• *Whether sample compositing has been applied.*	• No Sample composites taken.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Drill holes are oriented at right angles to strike of deposit, dip optimized for drilling purposes and dip of orebody, sampling believed to be unbiased.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Not Applicable
Sample security	• *The measures taken to ensure sample security.*	• All samples are bagged in a tied numbered calico bag, grouped into larger polyweave bags and cable tied. Polyweave bags are placed into larger bulky bags with a sample submission sheet and tied shut. Consignment note and delivery address details are written on the side of the bag and dispatched from Deflector minesite via Coastal Midwest Transport. The bags are delivered directly to MinAnalytical in Canning Vale, WA who are NATA accredited for compliance with

Criteria	JORC Code explanation	Commentary
		ISO/IEC17025:2005.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Performance meetings held between a DRM and MinAnalytical representative are conducted monthly. QAQC data are reviewed with each assay batch returned, and on regular monthly intervals (trend analysis).

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Doray Minerals Ltd controls a 100% interest in M59/442 via its 100% owned subsidiary Deflector Gold Pty Ltd. • M59/442 is covered by three overlapping Native Title Claims, being those of the Amangu People, the Widi Mob and the Mullewa Wadjari People. • Heritage surveys have been conducted over active exploration areas • M59/442 is valid until 4 November 2018 • M59/442 is subject to the Gullewa Royalty, being a 1% royalty on gross revenue from the tenement, payable to Gullewa Ltd
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic exploration and open pit mining was carried out at Deflector by various parties between 1990 and 2006. Modern exploration, consisting mainly of mapping, sampling and surface drilling, was carried out by Sons of Gwalia Ltd. (1990-1994), National Resources Exploration Ltd. (1995-1996) Gullewa Gold NL Ltd. (1996-2000); King Solomon Mines Pty Ltd./Menzies Gold NL (2001-2002); Batavia/Hallmark Consolidated Ltd. (2003-2008); ATW Gold Corp. Pty Ltd. (2008-2010); Mutiny Gold Ltd. (2010-2014).
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Geology consists of Archean aged orogenic style gold-copper mineralisation. Primary mineralisation is hosted in three main vein sets, the Western, Central, and Contact Lodes. The main ore lodes are narrow, sub-parallel, fault-hosted, quartz-sulphide veins within a thick sequence of high-Mg basalt intruded by a series of dacitic, dolerite, and lamprophyre dykes
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole*	• See table of Significant Intersections

Criteria	JORC Code explanation	Commentary
	○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No top-cuts have been applied when reporting results. • First assay from the interval in question is reported (i.e. Au1) • Aggregate sample assays calculated using a length weighted average • Significant intervals are based on logged lodes. Intervals are thus full geological intercepts, with no minimum grade or maximum internal dilution applied. No metal equivalent values are used for reporting exploration results
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Drill holes are oriented at right angles to strike of deposit, dip optimized for drilling purposes and dip of ore body. Down hole widths are reported with most drill holes intersecting the mineralised lenses at 30-40 degrees • Strike of mineralisation is approximately 040° dipping to the West at 80°
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to plan and sections attached
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All holes drilled are reported. Drilling is ongoing
Other substantive	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations;*	• All meaningful and material data is reported

Criteria	JORC Code explanation	Commentary
exploration data	*geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further drilling is to be conducted down dip and along strike of significant intersections to test for lateral extensions to mineralisation